

An Assessment of DoD's Capabilities to Estimate the Costs of Transformation

35th Annual DoD Cost Analysis Symposium

30 January 2002

Agenda

- **Introduction** *J. R. Nelson*
- **Navy Capabilities** *Leonard Cheshire*
- **Air Force Capabilities** *B. J. White-Olson*
- **Army Capabilities** *David Henningsen*
- **OSD View** *Steven Galing*
- **Summary** *J. R. Nelson*
- **Discussion/Questions**

Transformation – What is it?

Describing Transformation

Changes in the concepts, organization, process, technology application and equipment through which significant gains in operational effectiveness, operating efficiencies and/or cost reductions are achieved

Why Transform

- **Preserve current strengths in danger of eroding in the face of new challenges**
- **Meet new threat and environments**
- **Exploit new opportunities, e.g., those offered by the information technology revolution**

Fundamental Purpose of Transformation

Move from marginal superiority over Cold War opponent to dominance across the full spectrum of 21st century military operations – full spectrum dominance with Joint Response Forces

Scope of Transformation

- **Focus the effort on a set of very high leverage capabilities that enable new ways to fight (10%)**
- **Support this focus by improving/accelerating critical complementary capabilities (10%)**
- **Maintain course and momentum of sound capabilities that support transformational vision (80%)**

Transformation Objectives (QDR)

- **Assuring information systems and conducting effective information operations**
- **Projecting and sustaining U.S. forces in distant anti-access or area-denial environments**
- **Denying enemies sanctuary by providing persistent surveillance and precision strike capabilities**
- **Enhancing space systems' capabilities and survivability**
- **Providing persistent surveillance tracking and rapid engagement**
- **Protecting critical bases of operations**

To reassure allies, provide deterrence, quickly defeat adversaries

Transformation Key Military Capabilities

- **Achieving Information and Decision Superiority**
- **Striking with Precision**
- **Deploying and Sustaining Military Power Rapidly**
- **Dominating Land, Sea, Air and Space Battlespace**

Organization of Presentations Today

Jump to Next Presentation

Summary

- **Overall Assessment –**



FAIR

- Traditional legacy systems are done better
- Particular development and O&S cost estimates still have their difficulties

- **New Concepts –**



FAIR **POOR**

- Lack of methods, databases and experiences of operations

- **Information and Decision Superiority (Electronics Hardware/Software/Connectivity/Integration) –**



FAIR **POOR**

- Very complex integration systems of systems – require extensive software development and support